



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
**REGION 10**  
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OFFICE OF  
MANAGEMENT PROGRAMS

Attachment G

**Indirect Cost Rate Information for Tribal Governments**

If you wish to include indirect costs in your proposed budget when applying for a grant or cooperative agreement:

| <b>Preferred Options</b>  | <b>Requirements</b>  |
|---|--|
| Provide a copy of a current approved indirect cost rate agreement.  | You will be able to use awarded funds for all indirect costs accrued during the period covered by your current indirect cost agreement.<br><br>You must maintain a current approved rate agreement to continue to use awarded funds for indirect costs.  |
| If you do not have a current approved indirect cost rate, provide a copy of documentation showing that you have submitted an indirect cost rate proposal to your cognizant agency for approval. | The proposal must be for the current fiscal year.<br><br>This documentation should consist of a copy of the cover letter for your submission, and a copy of the page showing what rate you are proposing. You do not have to submit the entire proposal. |

Additional Options –

If you don't have a current approved indirect cost rate agreement, or you haven't submitted a proposal for one, you may choose one of the following options for including indirect costs in your proposed budget:

| <b>Option</b>   | <b>Requirements</b>   |
|---|---|
| You may use a fixed/carry forward rate that is less than three years old.<br><br>The rate cannot have expired more than 3 years prior to the proposed project start date for the grant you are applying for. Ex: If your proposed start date is 10/1/13, the oldest acceptable rate would be effective beginning 10/1/10. | Provide a copy of your <b>most recent</b> qualifying indirect cost rate agreement with your application package.<br><br><b>This rate will be effective for the life of the grant agreement.</b> |

| Option  | Requirements  |
|---|---|
| You may use a provisional/final indirect cost rate used on a <b>current</b> grant with the Dept. of Interior (DOI).                 | <p>The DOI grant must correspond to the same project period as the EPA grant.</p> <p>You must provide a copy of the DOI grant agreement with your EPA application package.</p> <p><b>This rate will be effective for the life of the grant agreement.</b></p> |
| If your organization does not qualify for any of the options above, EPA will permit you to use a default indirect cost rate of 10%. | <p>This rate can be applied to wages and salaries only.</p> <p>You must request this rate at the time of application.</p> <p><b>This rate will be effective for the life of the grant agreement.</b></p>  |

#### **How to Obtain an Indirect Cost Rate: Tribal Governments**

If you do not have a previously established indirect cost rate, you must prepare an indirect cost rate proposal in accordance with 2 CFR Part 225 (formerly OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments", located at: [http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105\\_a87.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf)

You must submit your indirect cost rate proposal to:

National Business Center  
Indirect Cost Services  
U.S. Department of the Interior  
2180 Harvard Street, Suite 430  
Sacramento, CA 95815-3317

For proposal preparation, you may use the Native American Government checklists located at: [www.aqd.nbc.gov/Services/tribal.aspx](http://www.aqd.nbc.gov/Services/tribal.aspx)